

CITY OF BISMARCK DEFERRED SICK LEAVE FUND
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2007

	January-07				December-06				September-06				Current FYTD	Prior Year FY06	3 Years Ended 6/30/2006	5 Years Ended 6/30/2006
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
Los Angeles Capital	18,328	2.3%	2.3%	3.46%	17,611	2.2%	2.3%	7.40%	16,814	2.2%	2.3%	1.60%	12.89%	11.12%	N/A	N/A
Total Structured Growth	18,328	2.3%	2.3%	3.46%	17,611	2.2%	2.3%	7.40%	16,814	2.2%	2.3%	1.60%	12.89%	11.12%	12.01%	-0.32%
<i>Russell 1000 Growth</i>				2.57%				5.93%				3.94%	12.93%	6.12%	8.35%	-0.76%
<i>Structured Value</i>																
LSV	18,288	2.3%	2.3%	2.07%	19,493	2.4%	2.3%	8.09%	18,527	2.4%	2.3%	4.90%	15.74%	15.05%	21.14%	12.22%
<i>Russell 1000 Value</i>				1.28%				8.00%				6.22%	16.19%	12.10%	15.70%	6.89%
<i>Russell 1000 Enhanced Index</i>																
LA Capital	36,061	4.5%	4.5%	1.68%	36,938	4.6%	4.5%	7.67%	33,538	4.4%	4.5%	3.71%	13.54%	11.58%	N/A	N/A
<i>Russell 1000</i>				1.93%				6.95%				5.06%	14.53%	9.08%	N/A	N/A
<i>S&P 500 Enhanced Index</i>																
Westridge	38,016	4.7%	4.5%	1.55%	37,217	4.7%	4.5%	6.86%	35,813	4.6%	4.5%	5.75%	14.75%	8.77%	N/A	N/A
<i>S&P 500</i>				1.51%				6.70%				5.67%	14.45%	8.63%	N/A	N/A
<i>Index</i>																
State Street	11,859			1.97%	13,081			8.03%	12,441			5.78%	16.53%	9.51%	11.47%	2.62%
Total 130/30	11,859	1.5%	1.5%	1.97%	13,081	1.6%	1.5%	8.03%	12,441	1.6%	1.5%	5.78%	16.53%	9.51%	11.47%	2.62%
<i>S&P 500</i>				1.51%				6.70%				5.67%	14.45%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	122,552	15.2%	15.0%	1.98%	124,339	15.6%	15.0%	7.50%	117,133	15.2%	15.0%	4.49%	14.55%	10.95%	13.63%	3.95%
<i>S&P 500</i>				1.51%				6.70%				5.67%	14.45%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	40,704	5.1%	5.0%	1.65%	42,033	5.3%	5.0%	8.82%	38,582	5.0%	5.0%	-0.01%	10.61%	13.58%	18.20%	7.84%
<i>Russell 2000 + 200bp</i>				1.84%				9.43%				0.94%	12.50%	16.86%	21.06%	10.38%
TOTAL SMALL CAP DOMESTIC EQUITY	40,704	5.1%	5.0%	1.65%	42,033	5.3%	5.0%	8.82%	38,582	5.0%	5.0%	-0.01%	10.61%	13.58%	18.20%	7.86%
<i>Russell 2000</i>				1.67%				8.90%				0.44%	11.21%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY																
<i>Large Cap - Active</i>																
Capital Guardian	32,633	4.1%	4.0%	1.47%	34,194	4.3%	4.0%	8.53%	31,470	4.1%	4.0%	5.02%	15.66%	28.07%	20.99%	6.90%
LSV	32,471	4.0%	4.0%	1.42%	33,979	4.2%	4.0%	10.66%	30,712	4.0%	4.0%	6.24%	19.23%	27.09%	N/A	N/A
Total Large Cap - Active	65,104	8.1%	8.0%	1.44%	68,173	8.5%	8.0%	9.58%	62,183	8.1%	8.0%	5.62%	17.41%	27.66%	21.92%	12.63%
<i>MSCI EAFE - 50% Hedged</i>				1.35%				9.06%				4.87%	15.92%	26.72%	22.56%	6.89%
<i>Small Cap - Value</i>																
Lazard	7,897	1.0%	1.0%	0.10%	8,376	1.0%	1.0%	14.71%	7,306	0.9%	1.0%	0.72%	15.65%	23.65%	28.06%	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				1.50%				11.41%				1.53%	14.80%	29.28%	32.40%	N/A
<i>Small Cap - Growth</i>																
Vanguard	8,235	1.0%	1.0%	2.94%	8,495	1.1%	1.0%	12.63%	7,543	1.0%	1.0%	3.73%	20.26%	29.24%	32.39%	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				1.50%				11.41%				1.53%	14.80%	29.28%	32.40%	N/A
TOTAL INTERNATIONAL EQUITY	81,235	10.1%	10.0%	1.46%	85,044	10.6%	10.0%	10.36%	77,031	10.0%	10.0%	4.93%	17.49%	27.35%	23.83%	8.67%
<i>MSCI EAFE - 50% Hedged</i>				1.35%				9.06%				4.87%	15.92%	26.72%	22.56%	6.89%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	159,600	19.9%	19.8%	-0.10%	177,233	22.2%	22.4%	2.01%	172,335	22.4%	22.4%	4.45%	6.45%	-0.90%	7.36%	8.59%
<i>Lehman Aggregate</i>				-0.04%				1.24%				3.81%	5.05%	-0.81%	2.05%	4.97%
<i>Mortgage Backed</i>																
Hyperion	41,880	5.2%	5.2%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<i>Lehman Global Aggregate (US Securitized Portion)</i>																
<i>Core Plus/Enhanced</i>																
Clifton Group	41,140	5.1%	5.2%	-0.16%	40,335	5.0%	5.2%	0.66%	39,751	5.2%	5.2%	N/A	N/A	N/A	N/A	N/A
Prudential	41,298	5.1%	5.2%	0.05%	40,391	5.1%	5.2%	1.88%	39,307	5.1%	5.2%	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	82,438	10.3%	10.4%	-0.06%	80,726	10.1%	10.4%	1.27%	79,058	10.3%	10.4%	N/A	N/A	N/A	N/A	N/A
<i>Lehman Aggregate</i>				-0.04%				1.24%				3.81%				
<i>Index</i>																
Bank of ND	76,049	9.5%	9.8%	-0.12%	74,558	9.3%	9.8%	1.31%	75,798	9.8%	9.8%	3.10%	4.34%	-1.14%	1.14%	4.90%
<i>Lehman Gov/Credit (1)</i>				-0.08%				1.04%				3.91%	4.90%	-1.52%	1.04%	4.78%
<i>BBB Average Quality</i>																
Wells Capital (formerly Strong)	159,485	19.8%	19.8%	0.13%	176,728	22.1%	22.4%	1.75%	172,288	22.4%	22.4%	4.60%	6.57%	-2.11%	2.63%	N/A
<i>Lehman US Credit BAA</i>				0.12%				1.49%				4.80%	6.48%	-2.37%	2.63%	N/A
TOTAL DOMESTIC FIXED INCOME	519,451	64.6%	65.0%	-0.01%	509,245	63.7%	65.0%	1.70%	499,480	64.8%	65.0%	4.28%	6.05%	-1.39%	6.59%	7.79%
<i>Lehman Aggregate (2)</i>				-0.04%				1.24%				3.81%	5.05%	-0.81%	1.84%	5.28%
CASH EQUIVALENTS																
Bank of ND	39,900	5.0%	5.0%	0.45%	38,946	4.9%	5.0%	1.32%	38,178	5.0%	5.0%	1.35%	3.14%	4.50%	2.71%	2.42%
<i>90 Day T-Bill</i>				0.41%				1.26%				1.33%	3.02%	4.00%	2.37%	2.25%
TOTAL DEFERRED SICK LEAVE FUND	803,841	100.0%	100.0%	0.56%	799,606	100.0%	100.0%	3.79%	770,404	100.0%	100.0%	4.03%	8.58%	4.30%	6.64%	5.41%
<i>POLICY TARGET BENCHMARK</i>				0.44%				3.20%				3.90%	7.70%	4.18%	6.03%	5.30%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.